

Headquarters U.S. Air Force

Integrity - Service - Excellence

Housing & Dormitory Update



9th Annual Worldwide First Sergeants Conference

**Col Bob L. Griffin
Ms Katie Halvorson
HQ USAF/ILEH
19 August 2003**

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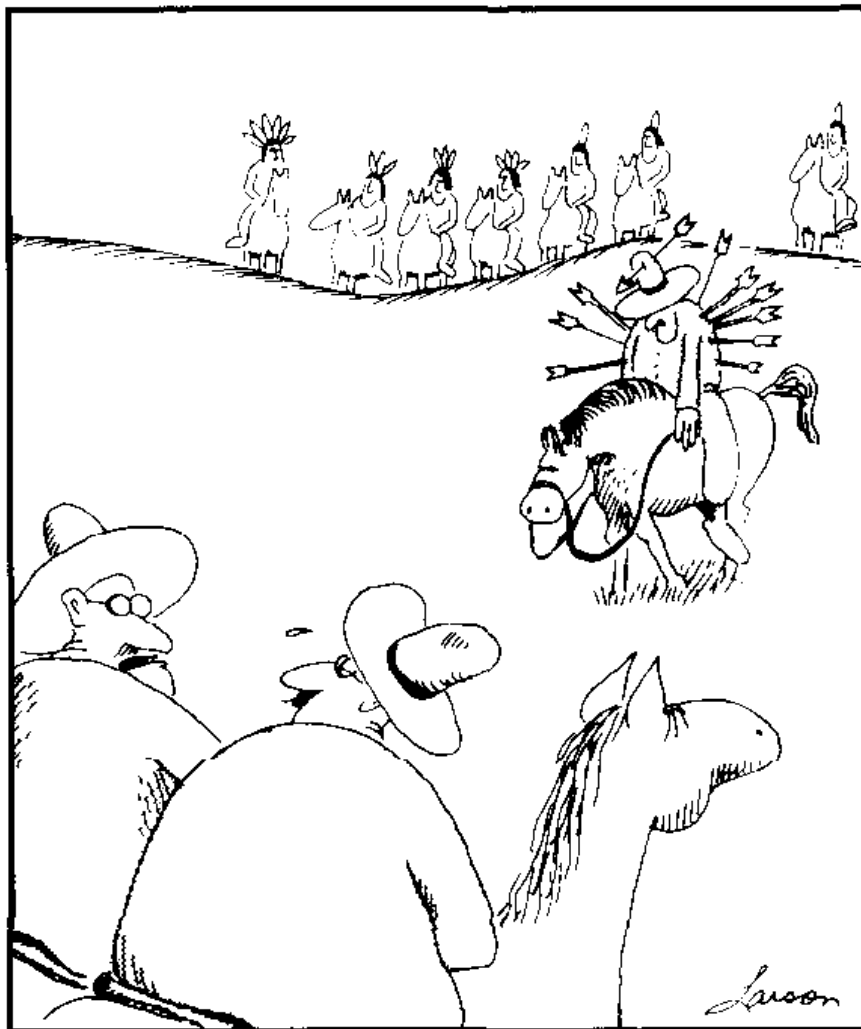
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Overview

- **Family Housing**
- **Housing Privatization**
- **Dormitories**



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Myth:

***“Housing
is
easy!”***

Now stay calm... Let's see what they

said to ILEH

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As of:



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Housing Topics for First Sergeants Radar

- **Family Housing Requirements, Surplus, Vacancy**
- **Family Housing Privatization**
- **Annual Runzheimer BAH Survey**
- **Dormitory *Dorms 4 Airmen* Design Standard**
- **Dormitory Management**
- **Leadership Involvement in Dormitories**
- **Unit Integrity**



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Housing It's a New Day!

- **Defense Planning Guidance (DPG) accelerates revitalization of family housing from 2010 to 2007**
 - **DPG now includes dormitories**
- **Fierce combat with OSD resulted in SECAF Out-of-Court Settlement**
 - **Eliminate inadequate housing all CONUS locations - except 4 northern tier bases**
 - **Increase FY05-07 MILCON by \$742M**
 - **Eliminate inadequate housing overseas by 2009**
 - **Increase privatization to 60% end state in CONUS**
- **Continued Congressional engagement in housing**



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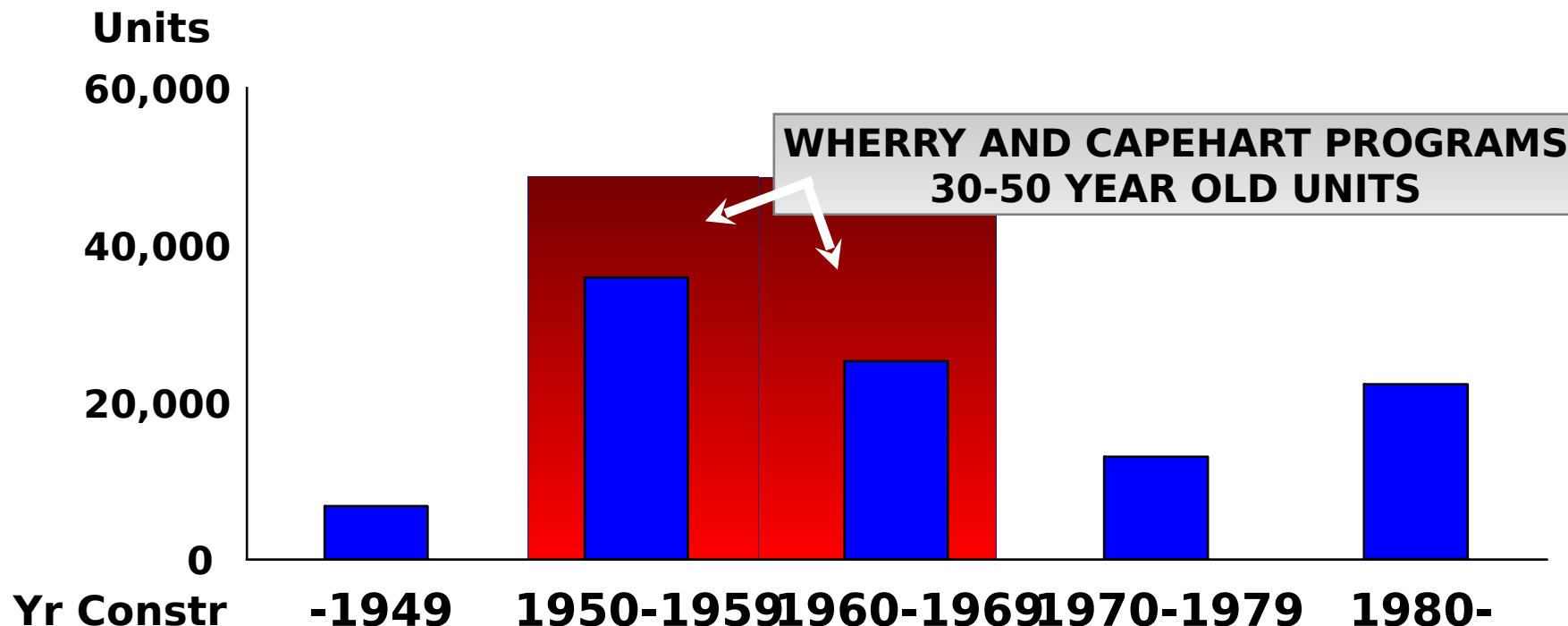
Overview

- **Family Housing**
- Housing Privatization
- Dormitories



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Family Housing Age of Inventory



59,000 Inadequate Units (beginning FY02)
46,000 Inadequate Units (beginning FY03)
40,000 Inadequate Units (beginning FY04)

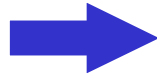


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Air Force Family Housing Master Plan Process



Installation Plans



**Prioritize
and
Integrate**



**Allocate
by
Fiscal Year**

**MILCON
Project List
and
O&M by
Installation**



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Installation Family Housing Master Plan Components

Installation Family Housing Master Plan

Privatiz Predict

HCP

RPM Model

O&M “Must Pays”

Condition Assessment

Housing Requirements Market Analysis



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New Family Housing Requirements & Market Analysis (HRMA)

- **OSD-directed after two year debate - will impact AF requirements**
 - **Degree of impact unknown until base-specific HRMA analysis is performed**
 - **Initial results widely varying; lots of surplus housing**
- **Significant process change estimates the ability of local communities to absorb additional families**
 - **AF will no longer rely on customer demand criterion**
 - **Market area to be the same as local BAH area**
 - **Transition from previous 30 minute commute criterion**
 - **Installation commanders have authority to adjust market area to address mission concerns**



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New HRMA Methodology Commander's Input

COMMANDER'S AUTHORITY - for housing analysis and BAH

- **Determine key and essential positions**
- **Commander designates unsuitable community housing**
 - **Location, cost, size, condition**
 - **Justification based on health and safety, mission, etc.**
 - **Important to present a strong case that will pass OSD scrutiny**
- **HRMA Issues:**
 - **Commute criterion**
 - **Wait at the gate**
 - **Unsuitable housing**
 - **Impacts to schools/revenue generating activities**
 - **New unaccompanied E-4 policy**



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Annual Runzheimer BAH Survey

Control Your Destiny!

- **Census Tracts:** Exclude undesirable housing areas

- Commanders exclude undesirable areas: crime, substandard construction

- Used for BAH purposes, as well as HRMA!

... Know and assist in identifying unsuitable areas of housing in the local community

- **Annual BAH Surveys are critical - be involved!!**

- Call memo - Mar; results - May = next CY BAH rate

- **Dedicate adequate resources to both HRMA, BAH surveys**



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Surplus Housing Strategy

- HRMAs indicate AF will have ~ 19,300 surplus units
- AF Surplus Policy (release pending ILE approval)
- Eliminate inadequate surplus by 2007
- Criteria to retain adequate surplus:
 - Must have economic potential
 - Occupancy
 - Bases/CHMP
 - Vacate through attrition—minimal maintenance permitted
 - Health, safety, and Change of Occupancy Maintenance
 - No programmed RPMC or MILCON

GOAL:
Minimize impact to
Air Force families!



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Housing Requirements Occupancy Concerns

- **BAH increases making community housing more affordable**
- **Occupancy data confirmed need to reassess requirements**
 - **8,081 unoccupied units--ready but no one projected to move in**
 - **44 bases have < 50**
 - **15 bases have $50 > 100$**
 - **24 bases have > 100**
- **Implementing new HRMA process AF-wide**

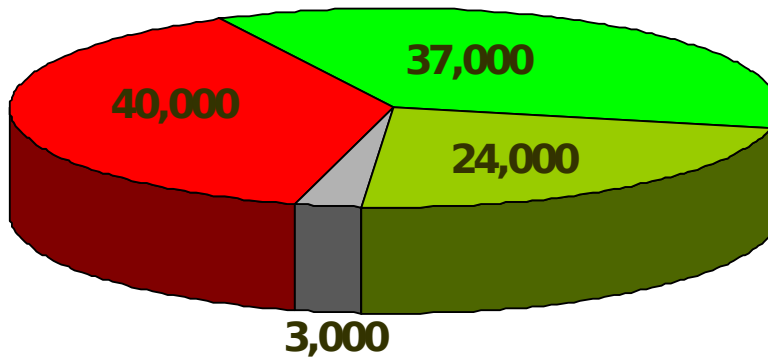




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Housing Investment Strategy Where We Were

Beginning FY04: 104,000 Units



■ Inadequate ■ Adequate
■ Privatize ■ Surplus

- **Average age of housing is 32 years**
- **Family Housing Master Plan roadmap to fix inadequate housing**
 - **Provides requirements based investment strategy**
- **Funded to eliminate inadequate houses by 2010**

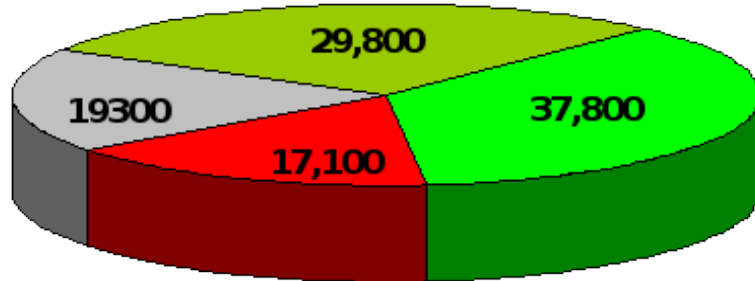


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Housing Investment Strategy ***Where We're Going***

ESTIMATE

Beginning FY05: ~ 84,700 Units
Required



■ Privatized ■ Adequate
■ Inadequate ■ Surplus

- Providing new/renovated homes faster
- Meeting revitalization goal with smaller inventory
 - Not realizing a significant increase in privatization
- Investment going to houses we're keeping



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FY01 Legislative Language Good News! Space Limitations

- Congress lifted space limitations ***starting 1 Oct 01***
- Worked with Services & OSD to set new standards
- CSAF and SECAF approved Apr 02
 - Too late for FY02 program
 - Included with FY03 President's Budget and beyond
- Privatization Projects -- 1996 Authority
- Allows AF to relook the 2 bedroom policy



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Housing Size Standards Study

~~New Standards~~

| | | REPLACEMENT & NEW CONSTRUCTION MINIMUM | | REPLACEMENT & NEW CONSTRUCTION MAXIMUM | | GARAGES | |
|---------------------|---|--|------|--|------|----------------|----------------|
| | | NSF | GSF | NSF | GSF | Detached Homes | Attached Homes |
| Grade J ENL (E1-E3) | 2 | 950 | 1180 | 1210 | 1500 | 2 car | 1-2 car |
| | 3 | 1200 | 1490 | 1420 | 1760 | 2 car | 1-2 car |
| | 4 | 1350 | 1670 | 1790 | 2220 | 2 car | 1-2 car |
| | 5 | 1550 | 1920 | 2150 | 2670 | 2 car | 1-2 car |
| J NCO (E4-E6) | 2 | 950 | 1180 | 1210 | 1500 | 2 car | 1-2 car |
| | 3 | 1200 | 1490 | 1420 | 1760 | 2 car | 1-2 car |
| | 4 | 1350 | 1670 | 1790 | 2220 | 2 car | 1-2 car |
| | 5 | 1550 | 1920 | 2150 | 2670 | 2 car | 1-2 car |
| SNCO CGO (E7-E8) | 2 | 950 | 1180 | 1440 | 1790 | 2 car | 1-2 car |
| | 3 | 1350 | 1670 | 1650 | 2050 | 2 car | 1-2 car |
| | 4 | 1450 | 1800 | 2020 | 2500 | 2 car | 1-2 car |
| | 5 | 1550 | 1920 | 2490 | 3090 | 2 car | 1-2 car |
| FGO (E9) | 3 | 1400 | 1740 | 1850 | 2300 | 2 car | 1-2 car |
| | 4 | 1550 | 1920 | 2180 | 2700 | 2 car | 1-2 car |
| SO | 4 | 1700 | 2110 | 2350 | 2920 | 2 car | 1-2 car |
| GO | 4 | 2100 | 2600 | 3270 | 4060 | 2 car | 1-2 car |

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Policy on 3-Bedroom Minimum Standard

- **Army changed policy to construct only 3-bedroom units**
 - **New/replacement construction only in MILCON and privatization projects**
 - **Retroactively applied to FY03 & FY04 projects in design**
 - **Army will reduce scope to buy larger units**
 - **New policy does not make existing 2-bedrooms inadequate solely because of 2-bedroom floor plan**
 - **Army will continue to renovate existing 2-bedroom units**
 - **Should the AF follow suit?**
 - **Senior AF leaders are reviewing**
 - **Good for AF families, but need to consider impacts**
 - **Reduced requirements may help**
-



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Increased Emphasis on CMSgt Prestige Housing

- **A geographically separate location in base housing**
- **Single family housing units, at least 10% larger than the largest enlisted unit and between 1,920 and 2,700 gross SF**
- **Garages with door openers and storage space**
- **Additional parking is recommended**
- **Enhanced and larger patios with privacy fencing**
- **Central air conditioning at authorized locations**
- **Carpeted and/or upgraded floor treatments**
- **Ceiling fans and upgraded mini-blinds or other window treatment**
- **Upgraded kitchens and appliances including ice makers**
- **Upgraded bathroom facilities and at least two full baths**
- **Designating Prestige Housing is recommended**



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Overview

- Family Housing
- **Housing Privatization**
- Dormitories



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Housing Privatization On Everyone's Agenda

OSD Goal
2010 → 2007

OSD - "Air Force
not meeting 2007

Installation
CCs

MAJCOMS

FHMP

CSAF -
"Revisit
Severability"

BAH Rates

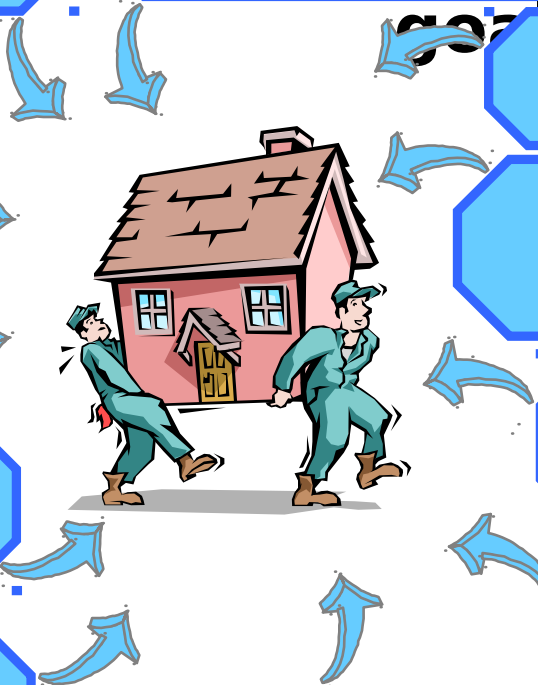
Dorm
Privatization

Private
Industry

Congress -
"GOQ

"Privatization"
CSAF/OSD
Reporting

DOD IG
AFAA





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General Jumper to SASC

“Senator (Dole), we have quite a few bases that are in fairly remote locations, and we have about 38 projects planned that will address about 40,000 family housing units. I believe we're the only service that doesn't get finished by the Secretary of Defense's goal of 2007, but that mostly has to do with northern tier bases where we'd have to displace people. We just can't do the shell game fast enough to fulfill the requirement. But we are pushing full speed ahead as quickly as we can”.

- Gen Jumper to SASC



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Why Privatize

- **Approximately 40% of our families live on base**
- **104,000 AF family housing units**
 - **Average age is 32 years**
 - **40,000 inadequate**
 - **Cost to fix using MILCON: > \$5.6 Billion**
 - **Time to fix: 12 years with current funding and no privatization**

“Non-traditional approach to MFH revitalization is required!”



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Housing Privatization Program Overview

| <u>Pilot Projects</u> | <u>Award</u> |
|-----------------------|--------------|
| Dover | Dec 04 |
| Dyess | Sep 00 |
| Elmendorf | Mar 01 |
| Kirtland | May 03 |
| Lackland | Aug 98 |
| Robins | Sep 00 |
| Wright-Patterson | Aug 02 |

| <u>Projects in Solicitation</u> | <u>Award</u> |
|-------------------------------------|--------------|
| Buckley (FY02) | Mar 04 |
| Hickam (FY02) | Dec 03 |
| Little Rock (FY01) | Jan 04 |
| Moody (FY01) | Jan 04 |
| Patrick (Pilot) | Sep 03 |

| <u>FY01</u> | <u>Advertise</u> |
|-------------|------------------|
| Hill | Aug 03 |
| Offutt | Jun 03 |

| <u>FY02</u> | <u>Advertise</u> |
|------------------|------------------|
| Barksdale | Oct 03 |
| Beale | Jun 03 |
| Elmendorf II | Nov 04 |
| Lackland II | Dec 03 |
| Langley | Oct 03 |
| McGuire/Fort Dix | Feb 04 |
| Nellis | Aug 03 |

| <u>FY03</u> | <u>Advertise</u> |
|-------------|------------------|
| Cannon | Jul 03 |
| Hanscom | Aug 03 |
| Maxwell | Jan 04 |

| <u>FY04</u> | <u>Advertise</u> |
|-------------|------------------|
| Altus | Jul 04 |
| FE Warren | Mar 04 |
| Luke | Mar 04 |
| McChord | Jun 04 |
| Shaw | Aug 03 |
| Sheppard | Mar 04 |
| Tinker | Jun 04 |

| <u>FY05</u> | <u>Advertise</u> |
|-------------|------------------|
| Columbus | TBD |
| Holloman | TBD |
| Keesler | TBD |
| Scott | TBD |

| <u>FY05/06/07</u> | <u>Advertise</u> |
|-------------------|------------------|
| Eglin/Hurlburt | TBD |
| Fairchild | TBD |
| Travis | TBD |

Total Program: 38 Projects ~ 40,000 homes



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Awarded Privatization Projects





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Awarded Privatization Projects

Kirtland AFB Housing





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Sustain Military Culture in Privatized Housing

- **House military families in Air Force communities**
 - **No out-of-pocket costs**
 - **Housing grouped by officer/enlisted and grade in community setting**
 - **Secure communities**
 - **Community activities centered around ancillary facilities -- playgrounds, sports courts, community center, etc.**
 - **High standards of appearance**
 - **Ability to interact with leadership in town meetings**

**e want it to be invisible to a member whether they are
living in AF-owned housing or privatized housing**



Leadership is the Key

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- **Privatization gives AF quality houses faster than traditional MILCON**
 - Leaders must adopt new business approaches
 - Everything from house size to rec centers & free services is negotiable in these deals
- **Air Force leadership at all levels remains dedicated to safe and adequate housing**
 - Bases already have local expertise - brains of contracting, leasing, etc.
 - A strong long-term partnership with the developer will ensure 50 years of good housing
- **We provide commercial contract expertise in project development and long-term management**
- **Continued commander responsibility for welfare of families is not impeded - and never outsourced!**



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Housing Privatization

“Tips vs. Myths”

- **Schools and Impact Aid** - no change anticipated, status quo should prevail
 - **Unique situations will be studied**
 - **District and bus routes should not change**
- **CDC rates** - are same on or off-base, all include BAH
- **Food stamp eligibility** - some members may lose eligibility based on higher income (BAH on LES)
 - **Working with AF/DP entitlements and Dept of Agriculture; family subsistence supplemental allowance impact**
- **School lunch eligibility** - 15 May 02 approval to remove BAH from eligibility for lunch programs received; expires 2004



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Housing Privatization “Tips vs. Myths”

- **“When can civilians ‘off the street’ occupy privatized housing?”**
- **Civilians are at the bottom of the priority list**
- **Housing assignment “Waterfall” for other eligibles:**
 - **Other Active duty military family/unaccompanied military**
 - **Federal Civil Service employees**
 - **Retired military members**
 - **Guard/Reserve members**
 - **Retired Civil Service**
 - **DoD Contractor’s/Permanent employees (US citizens)**
 - **General Public**



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Housing Privatization “Tips vs. Myths”

- **How the “Waterfall” is working at Robins AFB:**
 - **98% of the units occupied**
 - **236 non-target tenants from the “Waterfall”**
 - **119 E-1 to E-4 families**
 - **36 Unaccompanied**
 - **9 DoD Civilians**
 - **3 Retirees**
 - **59 ANG members (under a lodging lease)**
 - **10 General public**
- **Waterfall tenants limited to one-year lease**
 - **Situation may change at the base and you want flexibility to open houses back up for your families**
- **Developer looking to end leases with general public residents next year**



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Housing Privatization

"Tips vs. Myths"

■ "How are utilities paid?"

- Rent equals BAH minus an amount to cover 110% of estimated average utility charges for a designated unit
- Houses will be metered for electricity and natural gas
- Members will be responsible to pay their own electric and natural gas bills

BOTTOMLINE:

**Help us "demystify"
housing privatization**

- Looking to provide mock utility bills before privatization to help residents understand their consumption patterns



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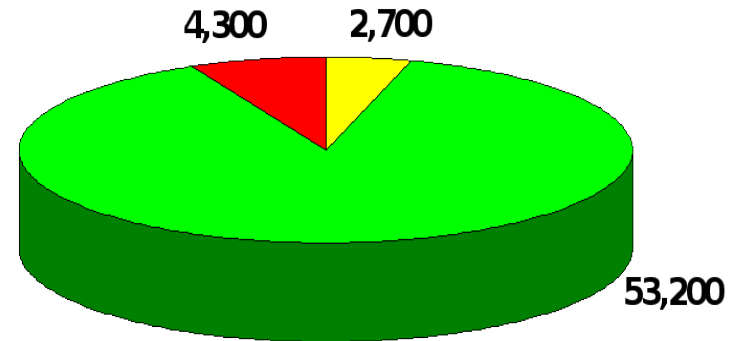
Overview

- Family Housing
- Housing Privatization
- **Dormitories**



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Dormitories... Where We're Going



■ Critical Rpl ■ Adequate ■ Deficit

MILCON Requirement: \$665M

- Total Requirement 60,200 Rooms
- Meets DPG 2007 Goal
- Buys-out Pipeline Requirements by 2009

New AF policy: E1s - E3s and E4s with less than 3 YOS on base

Goal: Private room for all permanent party Airmen by 2007



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Issues New FY04 DPG

**First time dormitories addressed in
Defense Planning Guidance (DPG)**

***“The Military Departments will eliminate
inadequate housing **and permanent
party barracks** by 2007, with the
program balanced across the FYDP.”***

***Working with OSD to define
“inadequate” and meet the DPG!***



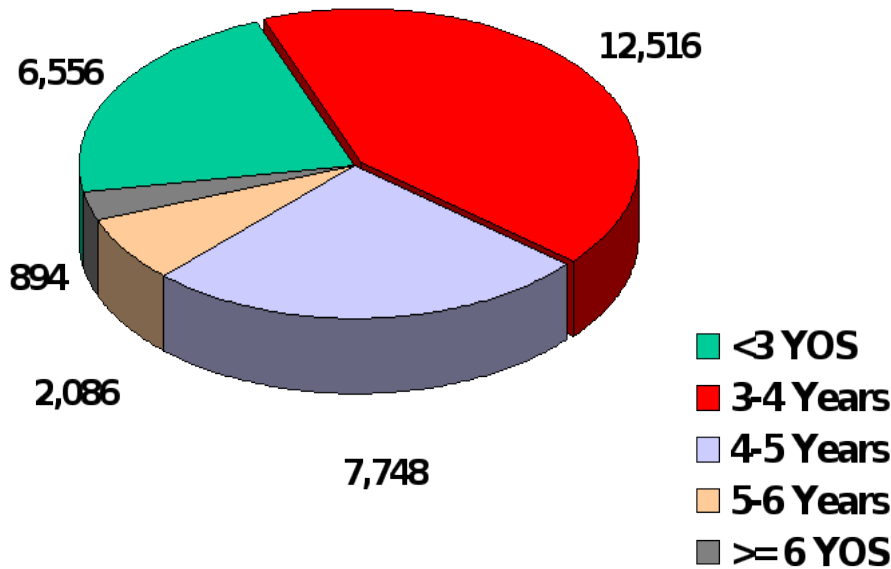
- **CORONA South 03 decision to revise current dormitory policy to house E1-E3s and E4s with less than three years of service. This decision:**
 - **Impacted Dorm Master Plan (DMP) and future dormitory requirements**
 - **Identified challenges and issues to be addressed**
 - **Requires new implementation policy to define the “way ahead”**



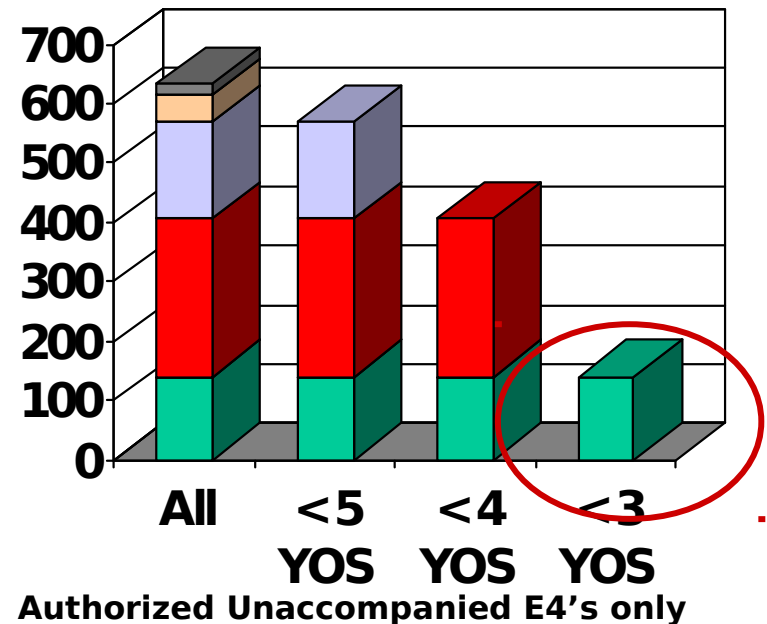
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Unaccompanied E4s By Years of Service (YOS)

Number of Unaccompanied E4s By Years of Service



MILCON Cost Associated with each Year of Service



Housing only E4s with less than 3 YOS reduces MILCON requirement by \$450M (20,500 rooms)



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2002 DMP Status

- **Final report delivered 1 May 03**
- **Seeking final MAJCOM and Air Staff 3-Digit coordination**
 - **MAJCOMs have reviewed twice already during development**



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2002 DMP Rules of Engagement

- **2002 incorporates the CORONA South 03 unaccompanied housing policy change**
 - **Program to house all E1-E3s and E4s with less than three years of service**
- **New policy applies to FY04 and beyond**
 - **No impact to FY03 dorm MILCON program**
- **Pipeline requirements are included in the 2002 DMP**
- **BMT (RH&T) are not included in the plan**

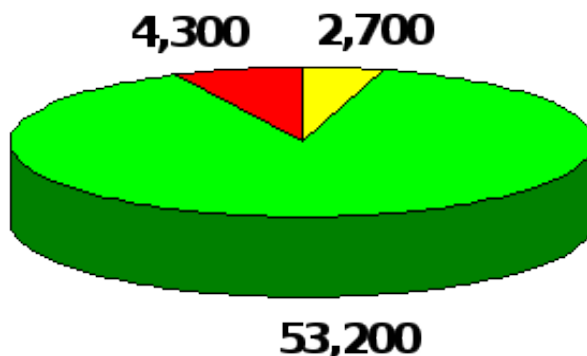


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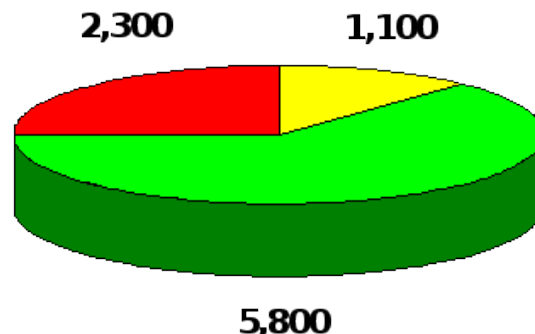
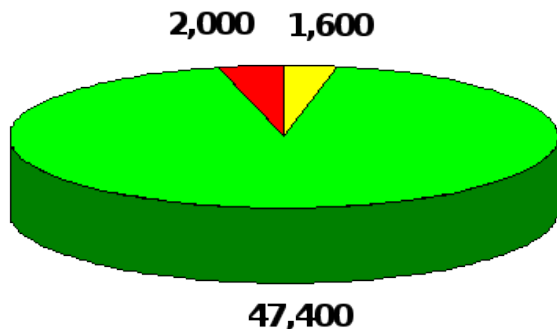
2002 Dormitory Master Plan Results

■ Inadequate ■ Adequate ■ Deficit

Total Room Requirement - 60,200



Permanent Party Room Requirement - 51,000 **Baseline Room Requirement - 9,200**

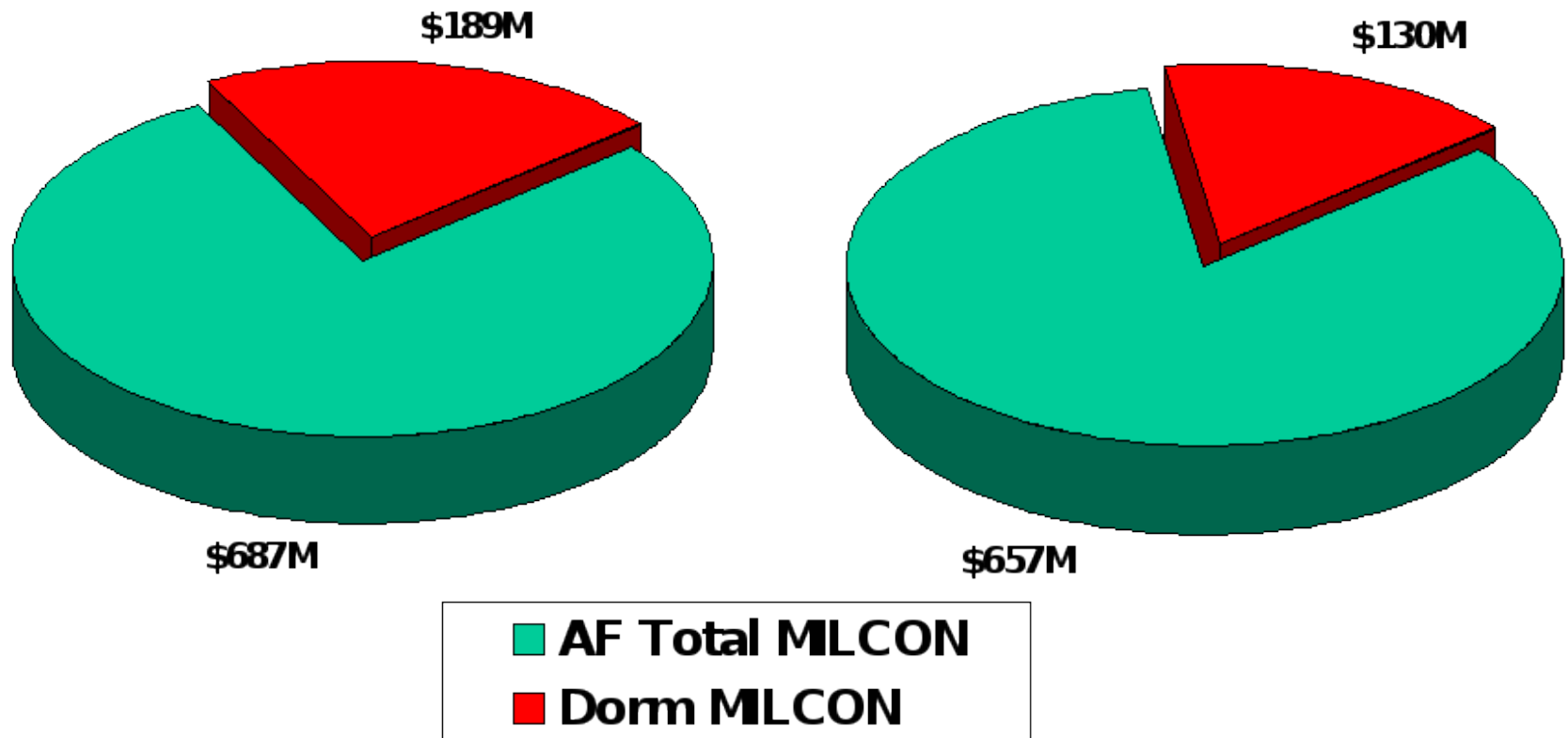




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Dormitory MILCON Funding

FY04 Total - \$876M FY05 Total - \$787M





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2002 DMP Funding Requirements

- **Total Cost after FY04 - \$665M**
 - **Permanent Party Cost - \$365M**
 - **Pipeline Cost - \$300M**



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2003 DMP Status

- **AFCEE managed \$5.4M contract with 3D/International**
- **Scope of Work**
 - **Perform dormitory surveys on 82 installations**
 - **Develop a report for each dormitory and campus on each installation**
 - **2003 DMP incorporates the CORONA South 03 decision**
 - **Provides an Area Development Plan--includes force protection**
- **Currently 2 site visits left to accomplish**
 - **Incirlik AB and Menwith, UK in Sep 03**
- **Project ECD: 1 Oct 03**



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Concerns/Issues

- **BAH \$ bill**
 - **Approximately 60% of the E4s with greater than three years of service already receive BAH**
- **Impact of unaccompanied E4 population on off-base MFH housing availability**
 - **Need to quantify in Housing Requirements Market Analysis (HRMA)**
- **Divestiture of surplus rooms?**
 - **Need to develop smart approach and phasing criteria**
- **Assignment policy and 90% occupancy goal**
- **Pending AF/IL implementation policy memo**



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CORONA South 03 Taskers

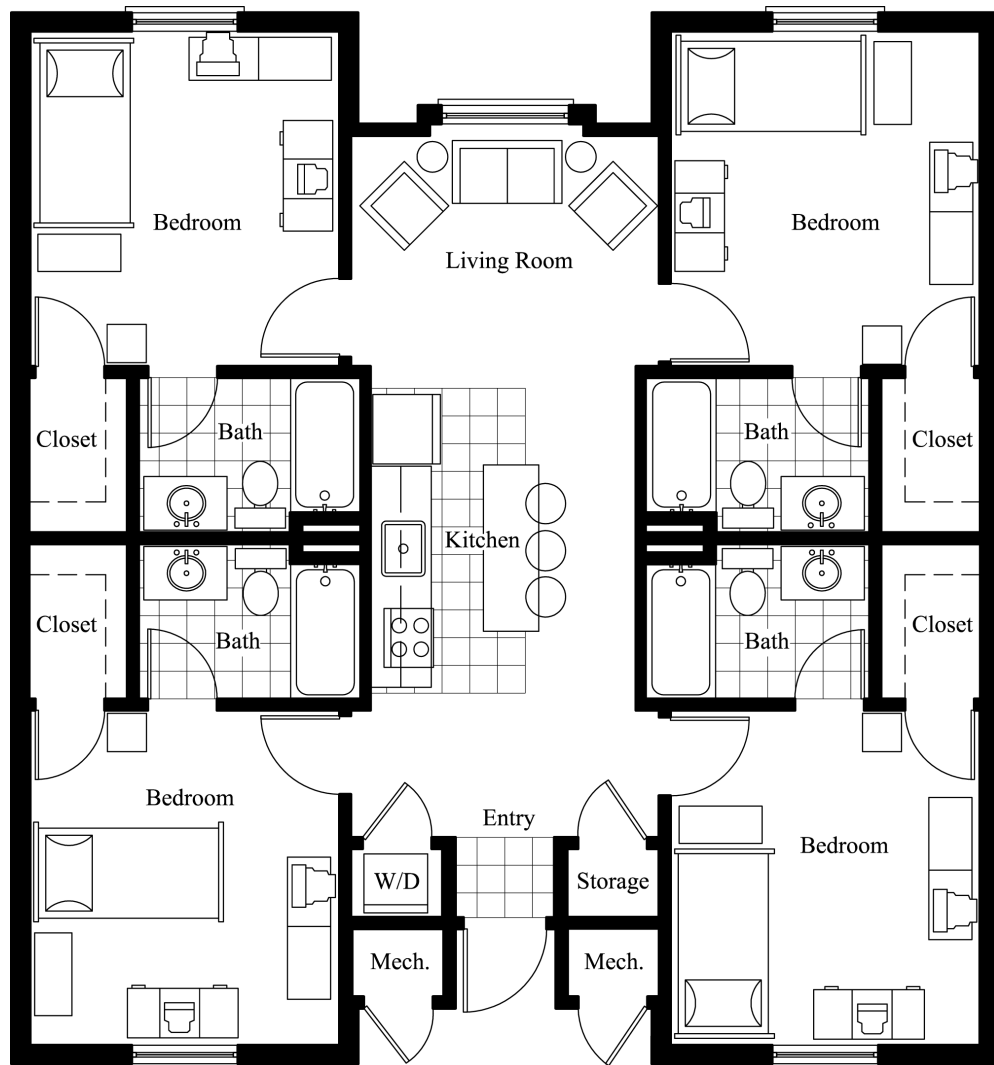
- **CMSAF Enlisted Perspective: Raising the Standard**
 - **Commander/CCM/First Sergeant roles**
 - **Unit Integrity, Dorm Occupancy**
 - **New Dorm Design**
- **Standardizing Dorm Management**
 - **MAJCOM “best practices” IPT in Oct 03**
 - **Review dorm manager authorizations, assignment, use, training... an opportunity to make it better!**



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Dormitory Design Guide

Dorms-4-Airmen Module



- Prefer more private space to kitchen/social space
- Refrigerator location
- Community laundry vs module laundry
- Privacy/Noise
- Keep 2- and 3-room module

Given all the objectives, design provides the best solution for our Airmen

...

need positive PR help!



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Overview

- Family Housing
- Housing Privatization
- Dormitories
- **Summary**



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Summary: Houses Are Us!

- **Air Force Housing: Reinventing Our Business**
 - **Better quality housing, faster, with a smaller inventory**
 - **Requirements still drive the train**
 - **BAH - HRMA surveys critical**
- **Privatization**
 - **Steer clear of myths!**
 - **Lots of potential - need leadership involvement**
- **Dormitories: *Dorms for Airmen* standard for smaller requirement**
 - **Leadership involvement critical - unit integrity a must**



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Information management AF Housing Web Site

- **All things housing: www.airforcehousing.hq.af.mil (Summer 03)**
 - **Tremendous reference tool, points to:**
 - **Worldwide Air Force housing office web sites**
 - **Policy documents, publications, links to other useful sites**
 - **NEW! Community housing information directly from installation**
 - **Housing application fillable form**
 - **Housing waiting list query**
 - **Testing interactive technology at six bases**
 - **Template to standardize installation housing web sites**
 - **Linked from AF Portal**